



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

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Division Director

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Governor

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Lieutenant Governor

August 29, 2005

Mr. Jim Butt
Butt Mining Company
HC 63 Box 120
Monticello, Utah 84535

Subject: Safety Concerns, Butt Mining Company, Sage Mine, S/037/058, San Juan County, Utah

Dear Mr. Butt:

On August 18, 2005, Division inspector Paul Baker inspected the Sage Mine and noted a few problems that need to be corrected. The enclosed inspection report discusses details of these problems.

The mine portal was open at the time of the inspection, and this presents a hazard to the public. The portal needs to be secured as soon as possible. This letter informs you that a notice of violation will be issued if corrective action is not taken before the next inspection.

There is one place where runoff has been going over the edge of the low grade ore pile and eroding ore into the adjacent drainage channel. It appears this problem could be easily corrected by building a berm on the edge of the pile.

Please notify us when you have closed the portal and fixed the drainage problem. If you have questions about what work needs to be done, please call Paul Baker at 801-538-5261. Thank you for your cooperation.

Sincerely,

for Susan M. White
Mine Program Coordinator
Minerals Regulatory Program

SMW:PBB:jb

Enclosure: Inspection report with photo attachment and map

cc: Ted McDougall, Monticello BLM

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